

N° 4244.

ALLEMAGNE ET ESTONIE

Accord relatif aux paiements résultant d'échanges de marchandises entre les deux pays (accord de compensation germano-estonien), signé à Tallinn, le 24 octobre 1937, et échange de notes y relatif de la même date.

GERMANY AND ESTONIA

Agreement concerning Payments in connection with Goods Transactions between the Two Countries (German-Estonian Clearing Agreement), signed at Tallinn, October 24th, 1937, and Exchange of Notes relating thereto of the same Date.

¹ TRANSLATION.

No. 4244. — AGREEMENT CONCERNING PAYMENTS IN CONNECTION WITH GOODS TRANSACTIONS BETWEEN THE GERMAN REICH AND THE REPUBLIC OF ESTONIA (GERMAN-ESTONIAN CLEARING AGREEMENT). SIGNED AT TALLINN, OCTOBER 24TH, 1937.

Article 1.

Payment transactions between the Republic of Estonia and the German Reich in fulfilment of the obligations covered by the present Agreement shall be effected exclusively through the intermediary of the Eesti Pank in Estonia and the Deutsche Verrechnungskasse in Germany.

Article 2.

The provisions of the present Agreement shall, subject to any subsequent arrangements which may be made, apply to obligations involving payments by German debtors to Estonian creditors or Estonian debtors to German creditors, as follows :

(1) Payments in connection with the export of German goods to Estonia or Estonian goods to Germany, including cases where there are obligations in this connection towards parties in a third country.

(2) Payments for reasonable and customary accessory costs directly connected with goods transactions between Estonia and Germany, including all transport insurance payments. Payments in connection with other kinds of insurance and shipping freights are not included.

(3) Finishing costs.

(4) By special arrangement between the clearing authorities in both countries, payments resulting from special obligations.

Article 3:

To facilitate clearing transactions, the direct clearing of claims under Article 2 (2) and (3) against claims arising from goods transactions may be authorised by the competent Estonian or German authorities without the consent of the clearing offices of the two countries being required.

Article 4.

Transit traffic between the two countries and all accessory costs connected therewith are not covered by the present Agreement.

¹ Translated by the Secretariat of the League of Nations, for information.

Article 5.

The term " goods transactions " within the meaning of the present Agreement applies to the following :

(a) The importation of German goods into the territory of the Republic of Estonia. Goods shall be considered as German if they have been produced in Germany or have undergone considerable finishing or transforming treatment therein ;

(b) The importation of Estonian goods into German territory. Goods shall be considered as Estonian if they have been produced in Estonia or have undergone considerable finishing or transforming treatment therein.

This also applies to cases where the goods are delivered after transit through third countries, in so far as they have not undergone considerable finishing or transforming treatment therein.

Article 6.

Debtors who have payments to make to Estonia in reichsmarks in accordance with the terms of the present Agreement must make payment of the amounts owing, on maturity, into a special account of the Eesti Pank at the Deutsche Verrechnungskasse. Where the debt obligation is not expressed in reichsmarks, the debtor must pay the reichsmark equivalent converted at the latest official Berlin middle rate of the currency concerned. The Deutsche Verrechnungskasse shall regularly notify the Eesti Pank of the amounts paid in in reichsmarks.

Article 7.

Debtors who have payments to make to Germany in Estonian crowns in accordance with the terms of the present Agreement must make payment of the amounts owing, on maturity, into a special account of the Deutsche Verrechnungskasse at the Eesti Pank. Where the debt obligation is not expressed in Estonian crowns, the debtor must pay the Estonian crown equivalent converted at the latest official Tallinn rate of the currency concerned. The Eesti Pank shall regularly notify the Deutsche Verrechnungskasse of the amounts paid in in Estonian crowns.

Article 8.

When the amounts have been entered in their special accounts, the Eesti Pank and the Deutsche Verrechnungskasse shall pay them out to the interested parties in the chronological order in which the amounts have been paid in. Exceptions can only be allowed by agreement between the competent authorities in both countries.

Article 9.

Exchange losses or losses of interest arising out of payments effected in conformity with the above provisions can only be made good according to the terms of the present Agreement if arrangements to that effect have been concluded between the private parties concerned.

Article 10.

The Eesti Pank and the Deutsche Verrechnungskasse shall make the necessary arrangements for the technical execution of the present Agreement.

Article 11.

Should a payment in a special case be made in a different manner from that provided in the present Agreement, the consent of the competent authorities in both countries is required.

Article 12.

The present Agreement may be denounced on one month's notice being given. It shall, however, in no case remain in force longer than the Agreement between Germany and Estonia of January 4th, 1935, concerning goods transactions between the two countries, in its present text.

Article 13.

If the present Agreement ceases to be valid, obligations which have arisen before its termination in connection with transactions coming under the clearing shall continue to be met by payments in accordance with the provisions of the present Agreement. The above shall only apply to payments for goods if the latter have already been consigned on the date on which the present Agreement ceases to be valid.

The two special accounts shall be wound up in accordance with the provisions of the present Agreement.

Any eventual balance shall, unless some other arrangement is made, be settled by deliveries of goods.

Article 14.

The present Agreement shall be ratified. It shall come into force on the fifteenth day after the exchange of the instruments of ratification, which shall take place at Berlin.

Both Governments are, however, agreed that the Agreement shall be applied provisionally as from January 1st, 1938.

Done in duplicate, in the Estonian and German languages, at Tallinn, this 24th day of October, 1937.

K. SELTER.
E. VIRGO.

H. FROHWEIN.
H. FORKEL.

EXCHANGE OF NOTES.

I.

THE HEAD
OF THE ESTONIAN DELEGATION.

TALLINN, *October 24th*, 1937.

SIR,

I hereby confirm that I have to-day concluded with you the following arrangement in connection with the German-Estonian Clearing Agreement :

As an exception to the chronological order agreed on in Article 8 of the Clearing Agreement, payments connected with business journeys and commissions shall always

be made at once. The same applies to transfers of accessory costs the payment of which appears to be urgently necessary for any special reason.

I avail myself of this opportunity, etc.

E. VIRGO.

Monsieur Forkel,
Ministerial Counsellor,
Head of the German Delegation,
Tallinn.

II.

THE HEAD
OF THE GERMAN DELEGATION.

TALLINN, *October 24th*, 1937.

SIR,

I hereby confirm that I have to-day concluded with you the following arrangement in connection with the German-Estonian Clearing Agreement :

As an exception to the chronological order agreed on in Article 8 of the Clearing Agreement, payments connected with business journeys and commissions shall always be made at once. The same applies to transfers of accessory costs the payment of which appears to be urgently necessary for any special reason.

I avail myself of this opportunity, etc.

E. FORKEL.

Monsieur Virgo,
Ministerial Director,
Head of the Estonian Delegation,
Tallinn.